ORIGINAL

EX PARTE OR LATE FILED

AT&T

Frank S. Simone
Government Affairs Director

Suite 1000
1120 20th Street, N.W.
Washington, DC 20036
202 457-2321
FAX 202 457-2545
EMAIL fsimone@att.com

December 20, 2000

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 Twelfth Street, S. W. – Room TWB-204
Washington, D. C. 20554

Re: *Ex parte*, CC Docket No. 98-147, Deployment Of Wireline Services
Offerings Advanced Telecommunications Capability; CC Docket No. 96-98,
Implementation of the Local Competition Provisions of the Telecommunications Act of
1996

Dear Ms. Salas:

On Wednesday, December 20, 2000, Richard Rubin, C. Michael Pfau and the undersigned,
all of AT&T, met with Kathy Farroba, Jessica Rosenworcel and John Stanley of the Common
Carrier Bureau's Policy and Program Planning Division. The purpose of the meeting was to
discuss the obligation of incumbent LECs to provide nondiscriminatory access to the unbundled
network element platform for use by CLECs in providing both voice and data services over a
single loop. The topics discussed at the meeting are outlined in the attached presentation.

Two copies of this Notice are being submitted to the Secretary of the FCC in accordance
with Section 1.1206 of the Commission's rules.

Sincerely,

ATTACHMENT

cc: K. Farroba
    J. Rosenworcel
    J. Stanley

Line Splitting

Presentation by AT&T

December 20, 2000

CLEC Needs

- A Commission ruling that:
  - Precludes ILECs from claiming that the *Line Sharing Order* limits CLEC requests for line splitting
  - Holds that splitters are "attached electronics" of the loop UNE, not a separate UNE
  - Requires ILECs to support loop-port combinations for voice services, regardless of who owns or inserts the splitter
  - Mandates prompt implementation of nondiscriminatory OSS necessary to support collocation-based UNE-P+DSL
  - Permits states to order ILECs to provide splitters

CLEC Needs

- Commission recognition that CLECs' OSS needs to support UNE-P+DSL line splitting are virtually identical to that provided for line sharing and a requirement that both line splitting options be operationally ready by 6/01, unless a state has already ordered an earlier date, *e.g.*, NY

- Commission affirmation that ILECs must support the voice portion of the line splitting configuration in a manner consistent with its support for UNE-P in a voice-only configuration

CLEC Needs

- Clear Commission expectations regarding UNE-P+DSL implementation regardless of who owns or deploys the splitter:
  - Mandatory re-use of existing loops (if DSL qualified)
  - Demonstrated proficiency in performing hot cuts for collocation-based service
  - Minimum disruption of preexisting UNE-P OSS processes
  - Parity OSS support for line splitting compared to UNE-P (for voice) or line sharing (for DSL)
  - No tolerance for delays past 6/01, because
    - CLECs have been seeking ILEC support for nearly a year
    - Support processes are closely analogous to line sharing
    - ILECs continue to sign customers to term contracts

Background

Without Line Splitting, DSL Competition Is Stifled

- DSL competition is in jeopardy, as competitive DSL providers face significant market pressures, due in part to ILECs' poor support for standalone DSL loops and line sharing

- Market analysts now view the DSL market as "the ILECs' to lose"

- Prompt and effective implementation of line splitting is needed to revive the possibility of real DSL competition

- Otherwise, ILECs will add DSL to their other monopoly services

Without Line Splitting, Possibilities for Local Voice Competition Are Further Reduced

- ILECs (and ILEC data affiliates) provide the vast majority of DSL lines

- ILECs are obtaining term commitments from DSL customers

- ILECs are refusing to provide DSL service unless customers also buy ILEC voice service – and threaten to cancel DSL service if the customer leaves the ILEC voice service

- Even with line sharing, customers must use ILEC voice service

Line Splitting Is Legally Required

- The Commission has already held that "UNE-P+DSL" line splitting using CLEC-owned splitters is required to enable CLECs to have access to all the features, functions and capabilities of the loop UNE – *Texas 271 Order*

- ILEC-provided line splitting to support UNE-P+DSL line splitting is also required, because splitters are not separate UNEs; rather, they are a technically feasible adjunct to the loop UNE

- Several states have required ILECs to provide splitters in support of such line splitting (*e.g.*, MI. IN and OK PUC orders; TX and WI arbitration awards); others (*e.g.*, NY, CA) are awaiting this Commission's decision

. . . But Line Splitting Is Not Available

- ILECs have resisted CLEC requests to implement UNE-P+DSL line splitting in a timely and reasonable manner when CLECs provide the splitter
- Despite the fact that the ILEC may provide the functional equivalent when line sharing …
  - No ILECs have provided splitters to support UNE-P+DSL line splitting
  - Except in NY (where the PSC ordered implementation of line splitting by 3/01), no ILECs have adequately disclosed how they will implement UNE-P+DSL through collocation

Line Splitting Is Consistent with the Act's and the Commission Goals

- Line splitting will spur CLEC investment without deterring ILEC investment
  - UNE-P CLECs need assurance they will be able to obtain access to HFS and will have an opportunity to engage in rational transition to facility based operation
  - At the same time, ILECs have publicly committed to invest in DSL based in large part on efficiency gains
- Advanced service deployment will be accelerated and service diversity increased
  - Customers will have a choice for voice and data bundles even in offices where collocation space may be limited

Line Splitting Is Consistent with the Act's and the Commission Goals
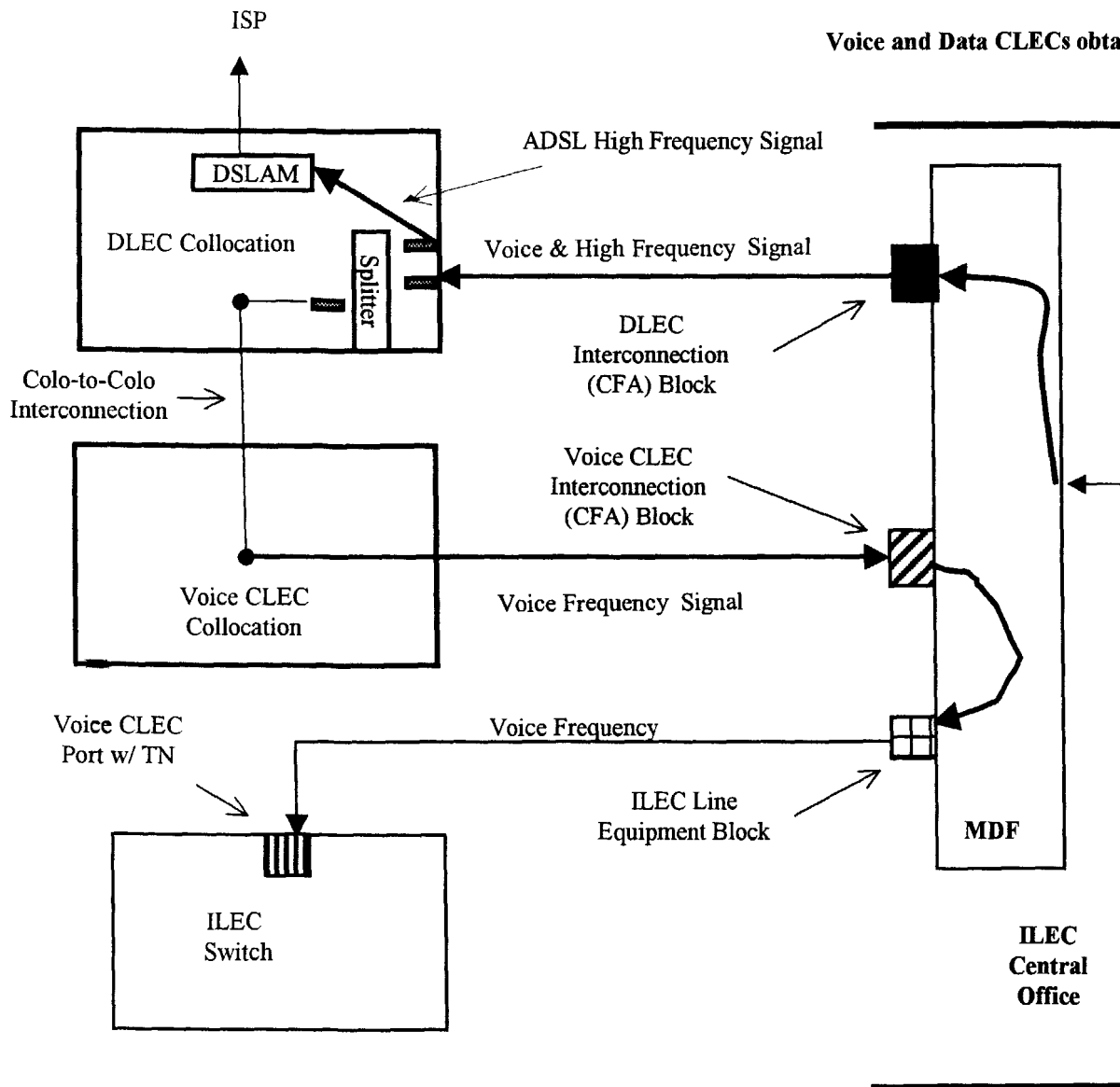
- Line splitting is already required
  - Only clarification is needed to assure implementation
- Regulation of retail advanced services is not implicated
  - Commission action will ensure that advanced service deployment does not become a tool to preclude voice competition

ILECs Are Making OSS Support for Line Splitting Unnecessarily Difficult

- OSS support for UNE-P+DSL line splitting is closely analogous to support for line sharing, regardless of whether the ILEC or the CLEC provides the splitter
- ILECs are playing a shell game – they say that CLECs may provide UNE-P+DSL but that the CLEC is no longer using UNE-P when it traverses collocation.
- ILECs are attempting to create confusion rather than providing efficient and nondiscriminatory support for UNE-P+DSL line splitting, *e.g.*, VZ-CA (GTE) slides below

Currently Available Today To All Voice and Data CLECs

ISP

Voice and Data CLECs obtain UNE Port and UNE Loop

DSLAM

DLEC Collocation

Splitter

ADSL High Frequency Signal

Voice & High Frequency Signal

DLEC
Interconnection
(CFA) Block

Colo-to-Colo
Interconnection

Voice CLEC
Interconnection
(CFA) Block

Voice CLEC
Collocation

Voice Frequency Signal

Voice CLEC
Port w/ TN

Voice Frequency

ILEC
Switch

ILEC Line
Equipment Block

MDF

**ILEC
Central
Office**

Scenario 1: Voice CLEC obtains a UNE Port and Data CLEC obtains a UNE ADSL capable loop. Data and Voice CLECs interconnect their collocation arrangements.

To EU Customer
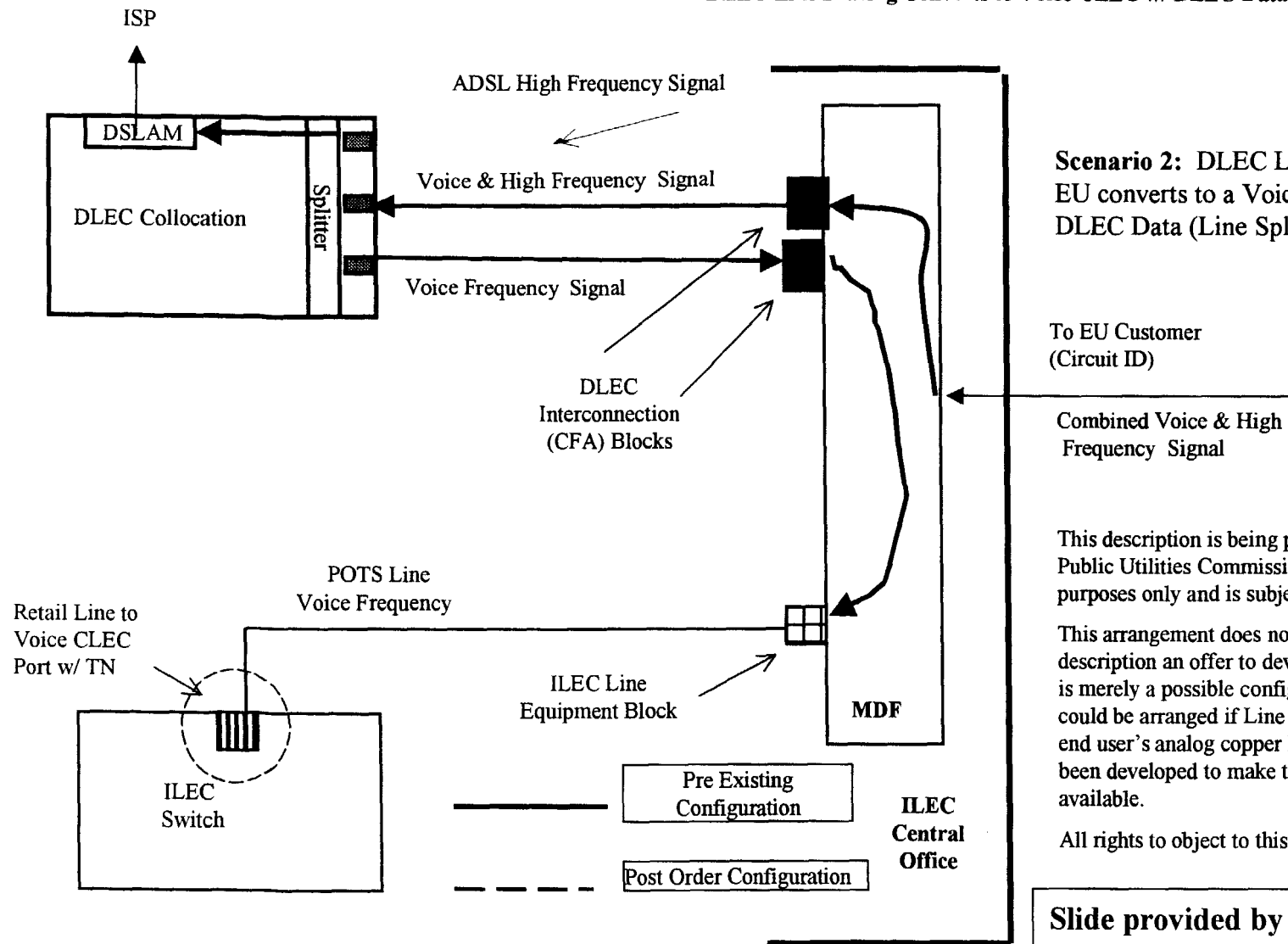(Circuit ID)

Combined Voice & High
Frequency Signal

This description is being provided as ordered by the Public Utilities Commission, is provided for discussion purposes only and is subject to change.

This description is provided to indicate that an End User in this state can obtain both voice and data services today provided by voice and data CLECs using existing FCC defined Unbundled Network Elements. No OSS modifications are required to provide this currently available configuration.

**Slide provided by Verizon in 12/00 CA
Phase II Line Splitting Pre-Hearing**

Potential Line Splitting Migration

DLEC Line Sharing Converts to Voice CLEC w/ DLEC Data

ISP

DSLAM

DLEC Collocation

Splitter

ADSL High Frequency Signal

Voice & High Frequency Signal

Voice Frequency Signal

DLEC
Interconnection
(CFA) Blocks

POTS Line
Voice Frequency

Retail Line to
Voice CLEC
Port w/ TN

ILEC
Switch

ILEC Line
Equipment Block

MDF

Pre Existing
Configuration

Post Order Configuration

ILEC
Central
Office

Scenario 2: DLEC Line Sharing with ILEC, EU converts to a Voice CLEC and retains DLEC Data (Line Splitting).

To EU Customer
(Circuit ID)

Combined Voice & High
Frequency Signal

This description is being provided as ordered by the Public Utilities Commission, is provided for discussion purposes only and is subject to change.

This arrangement does not exist today nor is this description an offer to develop such an arrangement. It is merely a possible configuration of how line splitting could be arranged if Line Sharing currently exists on an end user's analog copper loop. No systems work has been developed to make this type of arrangement available.
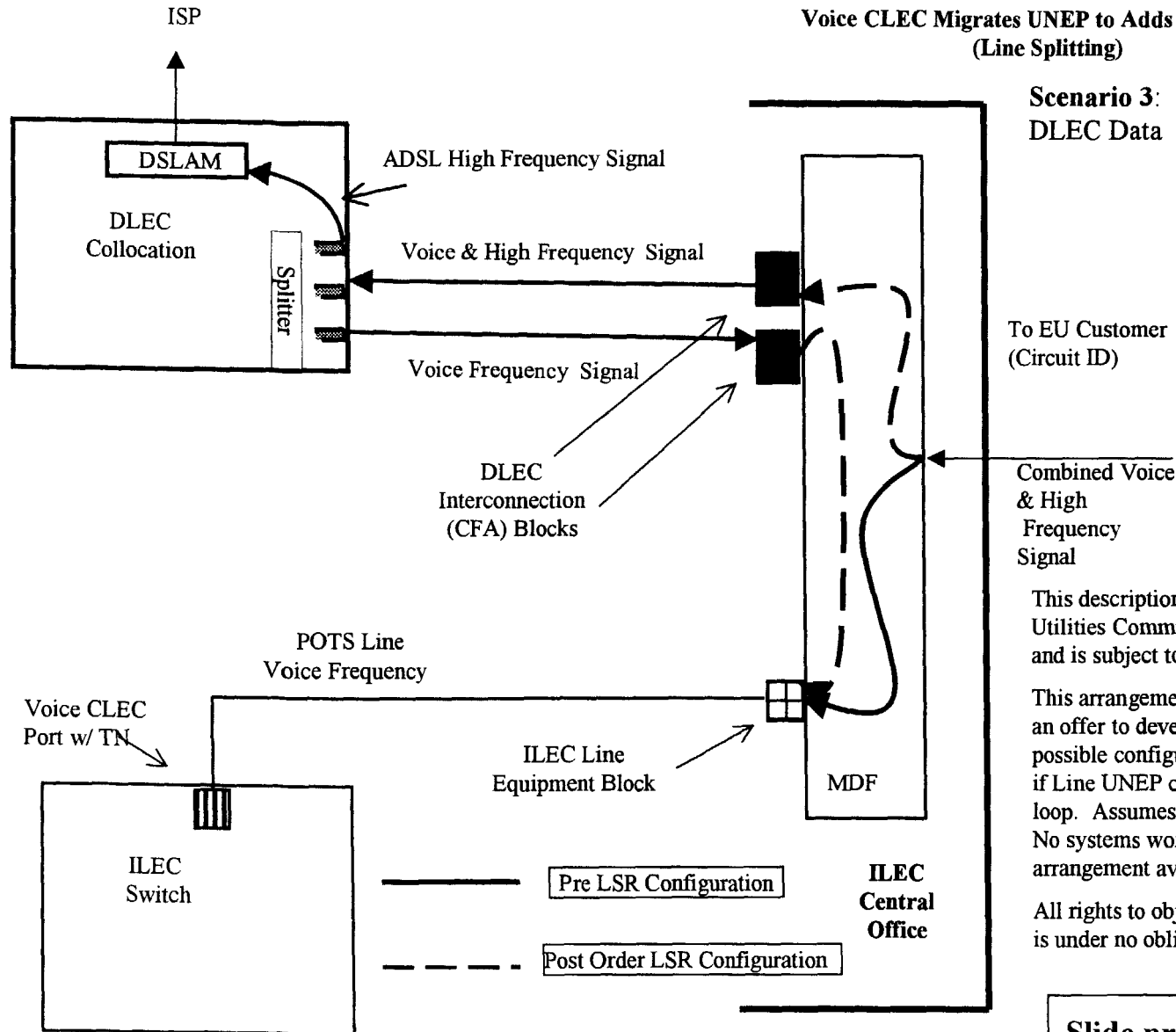
All rights to object to this arrangement are reserved.

Slide provided by Verizon in 12/00 CA Phase II Line Splitting Pre-Hearing

Potential Line Splitting Migration

Voice CLEC Migrates UNEP to Adds DLEC Data
(Line Splitting)

ISP

Scenario 3: Voice CLEC UNEP account adds
DLEC Data (Line Splitting).

DSLAM

ADSL High Frequency Signal

DLEC
Collocation

Splitter

Voice & High Frequency Signal

To EU Customer
(Circuit ID)

Voice Frequency Signal

DLEC
Interconnection
(CFA) Blocks

Combined Voice
& High
Frequency
Signal

This description is being provided as ordered by the Public
Utilities Commission, is provided for discussion purposes only
and is subject to change.

POTS Line
Voice Frequency

Voice CLEC
Port w/ TN

ILEC Line
Equipment Block

MDF

This arrangement does not exist today nor is this description
an offer to develop such an arrangement. It is merely a
possible configuration of how line splitting could be arranged
if Line UNEP currently exists on an end user's analog copper
loop. Assumes that the loop is qualified for data capability.
No systems work has been developed to make this type of
arrangement available.

ILEC
Switch

Pre LSR Configuration

Post Order LSR Configuration

ILEC
Central
Office

All rights to object to this arrangement are retained. Verizon
is under no obligation to provide new combinations.